Vote No. 403

September 8, 1995, 12:04 p.m. Page S-12888 Temp. Record

WELFARE REFORM BILL/Moynihan Substitute

SUBJECT:

Family Self-Sufficiency Act of 1995 . . . H.R. 4. Moynihan substitute amendment No. 2466 to the Dole modified perfecting amendment No. 2280 to the committee substitute amendment.

ACTION: AMENDMENT REJECTED, 41-56

SYNOPSIS: As reported with a committee substitute amendment, H.R. 4, the Family Self-Sufficiency Act of 1995, will overhaul 6 of the Nation's 10 largest welfare programs.

The Dole modified perfecting amendment would strike the provisions of the committee substitute amendment and insert in lieu thereof substitute provisions, entitled "The Work Opportunity Act of 1995."

The Moynihan substitute amendment would enact the provisions of S. 828, the Family Support Act of 1995, as introduced by Senator Moynihan. Provisions include the following:

- the required participation rate in the Aid to Families with Dependent Children (AFDC) JOBS program would be increased from 20 percent to 50 percent by 2001;
 - State job placement voucher programs would be authorized;
 - the requirement that States must provide educational activities to individuals age 20 or older would be repealed;
 - funding would be increased by \$1.3 billion for the JOBS program;
 - the Federal matching rate for JOBS and child care would go from 60 percent to 70 percent;
 - parents under age 20 who are on AFDC and who are not high school graduates would be required to attend school;
- pregnant minors and minors with children would be required to live with a parent or under other adult supervision in order to receive AFDC benefits;
- Mothers would not be eligible for welfare and Medicaid unless they have given the name of the father or fathers of their children to the State child support enforcement agency and have furnished other specified information;
- the Federal matching rate for State child support and paternity establishment costs would be increased from 66 percent to 75 percent as of FY 1999;

(See other side)

YEAS (41)			NAYS (56)			NOT VOTING (3)	
Republicans	Democrats		Republicans		Democrats	Republicans Democrats	
(0 or 0%)	Akaka Inouye Biden Johnston Boxer Kennedy Bradley Kerrey Breaux Kerry Bryan Lautenb Bumpers Leahy Byrd Levin Conrad Lieberm Daschle Mikulsk Dodd Moseley Dorgan Moynih Exon Murray Feingold Pell Feinstein Pryor Ford Reid Glenn Robb Graham Rockefe Heflin Sarbane Hollings Simon	Inouye Johnston Kennedy Kerrey Kerry Lautenberg Leahy	Abraham Helm Ashcroft Hutc Bennett Inhoo Bond Jeffo Brown Kass Burns Kem Campbell Kyl Chafee Lott Coats Luga Cohen Maccl In Coverdell McC Craig McC D'Amato Nick DeWine Pack Dole Press Domenici Roth Faircloth Sante Frist Shell Gorton Simp Gramm Smit Grams Snov Grassley Spec Gregg Steve Hatch Thor	Helms Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain	(5 or 11%) Baucus Bingaman Harkin Kohl Nunn	(3) (0) Cochran- ² Murkowski- ² Thompson- ^{3AN}	
		Murray Pell Pryor Reid Robb Rockefeller Sarbanes		McConnell Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thurmond Warner		EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea

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- States would be required to adopt in its entirety the Uniform Interstate Family Support Act;
- States would be required to have procedures for revoking or suspending driver's licenses and other licenses of individuals who owe overdue child support payments or who have not responded to warrants relating to paternity or child support proceedings;
- new regulations would be promulgated with the intention of narrowing the definition of "disabled" used in determining eligibility for Supplemental Security Income (SSI) benefits; and
- measures to raise funds would be enacted, including by changing tax procedures on expatriates and by limiting aliens' eligibility for welfare benefits.

Those favoring the amendment contended:

The following is a list of the percentages of children in various cities who received AFDC benefits in 1993: New York, 39 percent; Los Angeles, 38 percent; Chicago, 46 percent; Detroit, 67 percent; Philadelphia, 57 percent; and San Diego, 30 percent. These percents are higher if SSI benefits are included. Over the past 10 years, payments for disabled children under the SSI program have gone up 400 percent. We do not have 400 percent more disabled children, of course, but this increase does show that we have a great many more children relying on SSI for public assistance. Children on welfare, by definition, are paupers--in order to qualify for AFDC benefits, one may have no more than \$1,000 in assets. These statistics illustrate the absolute enormity of the problem. A few decades ago, only a small percentage of children were on welfare, but in major cities it is now common to find more than half of all children dependent on public assistance.

The AFDC program in its earliest form started in 1935 as a widow's pension, meant to phase out as survivor's insurance matured. Beginning in the 1960s, though, an explosive change in our social system totally changed the program's focus. That change is the rise of out-of-wedlock births. Those births were at 6 percent in 1960 and are at about 33 percent today. Today nearly all welfare recipients are unwed mothers, and most of their babies are illegitimate. Widows make up only a tiny fraction of all cases. Women whose marriages have recently dissolved make up 42 percent of new enrollees, but these women typically stay on welfare less than 2 years. However, they do not make up 42 percent of the welfare rolls because most (76 percent) of welfare recipients at any one time have been enrolled for more than 5 years, and 65 percent have been on for more than 8 years. The huge problem is that the illegitimacy rate has risen by 550 percent, and the mothers who are having those babies are getting and staying on welfare.

Though we are able to quantify the problem, we do not know the solution. The one bright spot on the horizon is the Family Support Act of 1988. That Act was passed by the Senate 96-1 and was signed into law by President Reagan. That Act emphasized work requirements, and it set up processes whereby States could apply for the right to try innovative approaches. Admittedly, the implementation of the Act has gotten off to a slow start, but in recent years some flexibility plans have been approved, and now most States have been making innovative proposals. In the past few years, we may not have learned much about how to slow the rise in illegitimacy, but we have had some success in learning how to get the mothers of these babies into the workforce.

With this background, we turn our attention to the two pending amendments. The Dole amendment would essentially scrap the current welfare system and turn it over to the States. The States cannot handle the problem; it is just too big and too localized. Our fear is that this approach will result in the same type of catastrophe that followed the deinstitutionalization of mental patients which began in the 1960s. The idea was that they would be cared for in community-based centers. That program was signed into law, the patients were released, the centers were not built, and the "homeless" problem was created. At the State, local, and Federal levels, politicians and activists talked about the lack of housing, when the problem was schizophrenia. Ten years from now we do not want to be debating how to solve the problem of homeless, abandoned children on the streets of America's cities.

Certainly we believe that some States and some cities may be able to cope. They may come up with solutions that continue to lessen the welfare rolls, and they may be able to continue to provide for those people who are still destitute. However, we know from experience that some States and cities will not do well. We know, for instance, that when the Food Stamp Program first began States were free to set their own levels and they set them at wildly different points, many of which were quite inadequate. President Nixon noted that the nutritional needs of children do not vary wildly from State to State, and that all American children deserve to have a healthy diet, and he accordingly proposed a national standard. Our point is that we need a federalist approach to welfare. It is appropriate to have national minimal standards, and to give States broad flexibility in meeting those standards.

Instead of scrapping the current welfare system, the Moynihan amendment would build on the recent successes of the Family Support Act of 1988. It would increase the work requirements, increase funding for the JOBS program, and increase State flexibility. The amendment would built on the incremental successes of the 1988 Act. This approach is far safer and more rational than simply giving up. Senators should be aware that approximately half of all welfare recipients are found in 6 States. Senators tell us confidently that the Federal Government has created this enormous problem; they also tell us that if we hand it over to the States, each State can handle it. It is a risky assumption we cannot support. The Moynihan amendment, on the other hand, would push us further in the right direction, if not to lower the rate of illegitimacy, at least to lower the rate of welfare dependency. We urge our colleagues to accept this alternative proposal.

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The Moynihan amendment would make incremental changes to the supposedly successful 1988 Family Support Act, which they believe has managed to move people from welfare to work. Many of us voted for that Act in 1988. We now regret our votes, because in our opinion that Act has been a dismal failure. The welfare rolls increased from 11 million in 1989 to 14.1 million today as a direct result of the passage of that Act which was supposed to reduce the welfare rolls and cut costs. We will not vote for an amendment "to reform" welfare that would do no more than make minor changes to a failed program.

In 1960 there were only 3 million people on AFDC. The number rose rapidly until it leveled off in 1972. In the deep recession of 1974 and 1975 the number of people on welfare dropped dramatically. That recession was much deeper than the shallow recession of 1991. The numbers climbed slightly during the Carter Administration, reaching 11.1 million in 1981. There were 10.2 million in 1982, and 11 million in 1989.

In 1989 the effect of the Family Support Act first began to be felt. That Act increased eligibility for welfare and increased benefits, including for education, job training, and child care. It also had some seemingly tough requirements, but softened them considerably by adding exceptions. For example, the term "strict work requirements" was not applied to any mother with a child under the age of 6. As usual, the Federal work programs did not work, and adding funding to the AFDC program caused a 3.1 million growth in the welfare rolls. That surge cannot be attributed to the mild recession of 1991, because earlier recessions did not result in large increases in the welfare rolls. Most of the new additions are mothers with illegitimate children who will remain on the rolls, on average, for more than 8 years.

This situation is tragic. Children from single-parent families suffer from more than poverty. The statistics tell the story: 70 percent of the juveniles in reformatories come from single-parent families; 72 percent of juvenile-murderers are from single-parent families; kids from broken families are 40 percent more likely to fail a grade and 70 percent more likely to quit school; and girls from single-parent homes are more likely to have births out-of-wedlock thus continuing the cycle of despair.

We should have been able to predict this rise in the welfare rolls for two reasons. First, Congress for years has said that the solution to poverty is to enact jobs programs. It is so convinced of this fact that it has enacted one such program after another. At present, the Federal Government has 155 jobs programs, including programs covered by the 1988 Act. Obviously, the fact that we are having this debate today illustrates that those programs have not worked. Second, increasing welfare benefits increases the number of people who enroll. Study after study has confirmed this fact, but politicians have had a hard time accepting it. We were as guilty as anyone in 1988 in believing that the programs we were designing would work to move people off of welfare--we thought the increased cost of the benefits would be offset by the savings from people leaving the rolls. We do not intend to make the same mistake again. Tinkering with work programs that do not work, as proposed by the Moynihan amendment, will not help. Adding more benefits, also as proposed by the Moynihan amendment, when we know from experience that adding benefits increases the number of enrollees with illegitimate children, is an illegitimate solution.

In defense of the Moynihan amendment, some Senators have pointed to the flexible experiments States have been allowed to conduct under the 1988 Act. One such experiment they have mentioned has been by Iowa, which has a successful work program. We, though, view the success of that program as happening in spite of rather than because of Federal involvement. It took Iowa 8 months to get the Department of Health and Human Services to grant it a waiver from stifling Federal regulations, but it had to limit its proposal in order to gain that approval. Senators cannot point to successful efforts by the Federal Government—they can only point to the successes by States that have won grudging and limited approval from the Federal Government to try their own solutions.

For some reason, our colleagues look at this result and give partial credit to the limits imposed by the Federal Government. They believe it is federalism at its best as Federal bureaucrats draw the limits on State efforts to undo the damage caused by decades of misguided Federal welfare policies. Without Federal management, they are certain that some States will prove grossly incompetent at managing welfare programs. They envision masses of homeless children resulting from an ending of Federal control. Basically, nothing can shake our colleagues' faith in the Federal Government's abilities: not the fact that the Federal Government has largely created the problem by creating a generous welfare entitlement; not the fact that all Federal efforts to reduce welfare have failed; not the fact that only State innovations have succeeded; not the fact that \$4.5 trillion has been spent on the War on Poverty since it began in the 1960s; not the fact that illegitimacy has risen to 33 percent of all births; and not even the fact that every child today is born \$18,000 in debt because of the enormous Federal debt that has been amassed.

In addition to looking at experience, we have other reasons for believing that Federal control over welfare programs should be removed. First, each State has its own unique circumstances that it understands better than the Federal Government. Therefore, each State is more likely to be able to design an appropriate solution on how to get its people off of welfare and into jobs than is the Federal Government with its uniform, one-size-fits-all mentality. Second, removing Federal control would remove a layer of bureaucracy and thus reduce administrative costs on the States. Third, the humble truth is that no one really knows what will work best. Giving States control would make them laboratories for change, and the best changes would quickly be copied around the country. If a State were successful in eliminating welfare, lowering illegitimacy rates, and presumably also gaining numerous attendant social benefits such as reduced crime rates and improved educational performance, do our colleagues really doubt that other States would rush to copy it? If the Federal Government retains control, then it will serve as the dam against improvements.

As with the Daschle amendment, there are some elements of the Moynihan amendment that are supportable. However, the basic, core approach of the amendment is simply to make incremental changes to a welfare system that has failed for decades. A bolder

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approach is needed. We have great respect for our colleague from New York's grasp of the problem and of his absolute commitment to solving it, but we believe that his proposed solution is misguided, and must therefore vote against this amendment.